bited earlier from accepting deposits from public. (The application received from Vatsa Corporation Ltd. is bing examined by RBI from legal angle. Synergy log-in System has since converted themselves as a non-banking non-financial company and it has been advised by RBI to repay the deposits accepted as a financial company. A show cause notice has been issued earlier to Enrai Finance Ltd. and presently the company's compliance with the order of Company Law Board is being watched).

In addition to the above action, several rounds of advertisements have been published by RBI to make general public aware about the framework for deposit acceptance by NBFCs.

**Economic infrastructure project for North Eastern Region**

233. SHRI W. ANGOU SINGH: Will the Minister of FINANCE be pleased to state:

(a) the number of economic infrastructure projects with foreign assistances/ loans cleared and likely to be cleared by Government for the North Eastern Region on State-wise basis with total amounts involved;

(b) whether it is a fact that due. to the recent Nuclear test, these projects have bleak future; and

(c) if so, the steps taken by Government in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The information is given in the enclosed Statement.

(b) No, Sir.

(c) Does not arise.

**Statement**

*Economic Infrastructure projects with foreign assistance/loans cleared and likely to be cleared by Government for the North Eastern Region*

| S.No. | Name of the Project | State(s) | Project Cost |
|---|---|---|---|
| 1. | Assam Gas Turbine Power Project | Assam | Rs. 895 crore. |
| 2. | Assam Rural Infrastrcture and Agricultural Development Project | Assam | US $ 146.6 million. |
| 3. | Upgradation of Mizoram State Rural Roads Network | Mizoram | Rs. 693.17 crore. |
| 4. | Turial HE Project | Mizoram | Rs. 448 crore. |
| 5. | Improvement of Imphal-Ukrul Road Project | Manipur | Rs. 4.57 crorc. |
| 6. | Umiam Hydro Power Project | Meghalaya | Rs. 65.50 crorc. |
| 7. | North Eastern Region Community Resource Management Project for Upland Areas | Meghalya, Assam and Manipur. | US $ 33.20 million. |

**Net Bank Credit in Agriculture sector**

234. SHRI PARAG CHALIHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Punjab National Bank, Punjab & Sind Bank, State Bank of India, Indian Overseas Bank, Bank of Baroda, Dena Bank, Un-

ion Bank of India and Central Bank of India are not achieving the stipulated target of 18% of the net bank credit in the field of agriculture sector during the financial year ending 31st March, 1997 ' and 31st March, 1998;

(b) whether Reserve Bank of India have conducted any study on it and if so, the details thereof; and

(c) what measures Gvoernment prop ose to take to uplift the agriculture sector and ensure its early implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHA-NAN): (a) Yes, Sir. However, Reserve Bank of India (RBI) has reported that Indian Overseas Bank had exceeded the target of 18% of the Net Bank Credit to agriculture for the year ended 31.3.1997 and 31.3.1998.

(b) and (c) With a view to achieving a district and market improvement in the flow of credit to agriculture, all public sector banks were advised to formulate Special Agricultural Credit Plans (SACPs) since 1994-95. Under SACP banks are required to fix self-set targets for achievement during the year. All public sector banks have since been formulating the SACPs. The performance of the banks is being reveiwed periodically. As a result, the disbursements to agriculture have been increasing year after year as indicated below:—

| Year | Disbursement to agriculture (Rs. in crores) |
|---|---|
| 1994-95 | 8255 |
| 1995-96 | 10172 |
| 1996-97 | 12782 |
| 1997-98 | 14803 |

RBI has taken a number of measures to improve the credit flow to agriculture sector which include, inter-alia, strengthening the financial capability of NABARD, setting up of specialised agricultural branches in each State, extending of cash credit facilities for meeting composite credit requirements of farmers, etc. Further, most of the recommendations made by the High Level Committee on Agriculture Credit (R.V. Gupta Committee) appointed by RBI have been accepted which include simplification of procedures regarding loan applications, delegation of powers to branch managers, introduction of composite cash credit limit to agricultural farmers, introduction of new loan products with savings component, cash disbursement of loans, discretion to banks in matters relating to mar-gin'security requirements for agricultural loans above Rs. 10,000/- and dispensing with "No Due Certificate" as a compulsory requirement.

**Stabilisation of Value of Rupee**

235. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE be pleased to state:

(a) whether the value of rupee vis-a-vis U.S. dollar is going down and it has touched the lowest on 19th August, 1998;

(b) if so, whether Government have considered the remifications of this fall in value of rupee on Indian economy;

(c) if so, the details in this regard; and

(d) what steps have been taken or are proposed to be taken to stabilise the value of rupee?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) the exchange rate of the rupee against the US dollar was under downward pressure intermittently since the last week of August 1997 and it touched the lowest rate of Rs. 43.42 per US dollar on August 19, 1998. Since then, it appreciated and stabilised at the level of Rs. 42.33 per US dollar by October 1998.

(b) and (c) The exchange rate of the rupee in India is market determined. The downward pressure on the exchange rate since late August 1997 may, largely, be